



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

May 21, 2007

Curtis Larkin
Gypsum Resource Development
1947 North 2050 East
Layton, Utah 84040

Subject: Partial Surety Reduction Request, Gypsum Resource Development, White Cap #8 Mine, S0150047, Task 1811, Emery County, Utah

Dear Mr. Larkin:

The Division has reviewed your request for a reduction in the surety being held for reclamation of the White Cap #8 Mine. Prior to any reduction in the surety, the grizzly must be removed from the site.

Please notify the Division once the grizzly has been removed. If this is done soon, the Division will be able to authorize a reduction from \$10,000.00 currently being held to \$2900.00.

The Division needs to continue to hold adequate surety for revegetation of the site. This would include re-scarifying the area and seeding. The surety was calculated in 2007 dollars with escalation to 2010:

\$1000.00	Estimate from Nielson Construction to mobilize a D6 dozer and operate it for one-half day.
\$1400.00	Seeding costs based on standard amount from bonding spreadsheet (\$280/acre) which includes cost for seed estimated at \$132/acre.
\$2400.00	Subtotal
\$240.00	10% contingency
\$261.64	Escalation for three years at 3.2%
\$2901.64	Total, round to \$2900.00

The Bureau of Land Management has concurred with this conditional approval of the reduction in the surety amount.

Curtis Larkin
Page 2 of 2
S0150047
May 21, 2007

If you have questions or need further information, please call me at 801-538-5258 or Paul Baker at 801-538-5261. Thank you for your cooperation in completing the grading work.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. White".

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb

cc: Rebecca Doolittle, Price BLM

P:\GROUPS\MINERALS\WPM015-Emery\S0150047-GRD-whitecap8\final\rel-part-cond-05172007.doc